



The ADVISOR

TEACHERS, EMPLOYEES, and JUDICIAL



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SERVING OVER 330,000 MEMBERS

January 2013

Never Before Witnessed

By David G. Bronner

The general public, politicians, and most AEA members recognize the political influence of AEA. Yet, I do not ever recall a power play being used against some of AEA's longtime members and your representatives on the TRS/PEEHIP Board of Control.

During the most recent TRS/PEEHIP Board of Control election, incumbent Dr. Susan W. Brown was unopposed. However, AEA's new Director sent word to his staff to only support one of the four incumbents running for re-election, that being Mr. Ricky Whaley who was re-

elected. Of the three incumbents not supported by AEA, only Mrs. Teresa Swindall won outright. Incumbents Mrs. Sarah Swindle and Mrs. Susan Lockridge are in the runoff election starting January 7 and ending February 11.

It is time for members to take this power play seriously. An unbelievable amount of hard work has been done by various governors, legislators, and of course your boards and RSA staff. During the past four decades, total TRS assets have grown from less than \$300 million to \$19 billion. In addition, PEEHIP

has produced tremendous cost savings to the state, members, and retirees while maintaining low premiums and excellent benefits.

Dr. Paul R. Hubbert and I had the usual disagreements, but we also worked together on numerous projects for the benefit of teachers and this great state. In the runoff, your vote will decide if TRS heads in a new direction or continues on its current path. Your choice is to support the TRS, or go along with the new AEA Director's power play. ■

Update: 55 Water Street Reopens

By David G. Bronner

Twenty years ago, the RSA purchased "55 Water" out of bankruptcy. This property is New York City's largest office tower with almost 3.9 million square feet and the second largest privately owned building in the U.S. after Chicago's Willis (formerly Sears) Tower. Fifty Five Water Street is the third building up on the East River in downtown Manhattan and is constantly shown on network news broadcasts and in about every movie made in the city.

Since 1993, 55 Water has been one of RSA's strongest performing assets, currently valued at \$1.36 billion and generating \$70 million in net profit last year alone to the RSA. The RSA has a cumulative investment of \$623.8 million through 2012 and has received a net cash flow of \$892.9 million. There is no debt on the building.

Hurricane Sandy has put your NYC staff and Montgomery staff through the

wringer. After more than a month of working 24/7, the building has reopened. However, some tenant problems are slowly being corrected. As was stated in last month's *Advisor*, the federal flood program only covers \$1 million, and thankfully, the RSA had an additional \$50 million in coverage from Lloyd's of London. It will still be a matter of months before all costs are established and lower Manhattan returns to normal. ■



Marriott's Alabama Hotels Top 4 of 5

Marriott just finished ranking its 23 resort hotels in the U.S., and Alabama had all four of its hotels in the Top 5! The RSA has four Marriott hotels and four Renaissance hotels in Alabama.

The top five Marriott resort hotels were: (1) Shoals, (2) Prattville, (3) Marco Island (FL), (4) The Grand, and (5) Auburn-Opelika. Congratulations to our outstanding management teams across Alabama. ■

Capitol Hill Sparks Growth

By Marty Roney, *Montgomery Advertiser*

Each year about 80,000 rounds of golf are played at Prattville's Capitol Hill Golf Course, and that means plenty of green for the local economy.

Prattville has seen tremendous growth, in population and retail offerings, during the past three decades. But city officials point to the Robert Trent Jones facility on the east side of town as being the driving force of that growth. In 1996, when the city was in line for the next stop on the Robert Trent Jones Golf Trail, it had three hotels. Now, the city boasts 15 hotels and a thriving tourism industry.

"Of the different groups that come in,

you might have one group out there golfing and another group out shopping," said Mayor Bill Gillespie Jr. "Later on both groups will be out eating and shopping, so it's been a very big impact for the city of Prattville."

"We have seen tremendous growth in our hotel industry, which had led to increases in our lodging tax collections. When you have this many golfers coming to Prattville each year, it's good for the entire community."

Capitol Hill, which has three courses, is usually in a battle with Oxmoor Valley in Hoover as the most popular spot on the Trail, said Bill Lang, a spokesman for RTJ.

This year, Prattville will take the top spot.

The reasons are easy to see, even to non-golfers, said Bud Whitman of Houston. He and three buddies recently were testing their skills on the course. He raved about the first hole of the Judge course. The now iconic scene has the fairway dropping down to the Alabama River, with the Montgomery skyline in the distance.

"I've played golf all over the world and that view has them all beat," said the retired oil company engineer. "This is my fourth time to play Capitol Hill..." ■

Treasury Ending Paper Benefit Checks March 1

Source: Associated Press

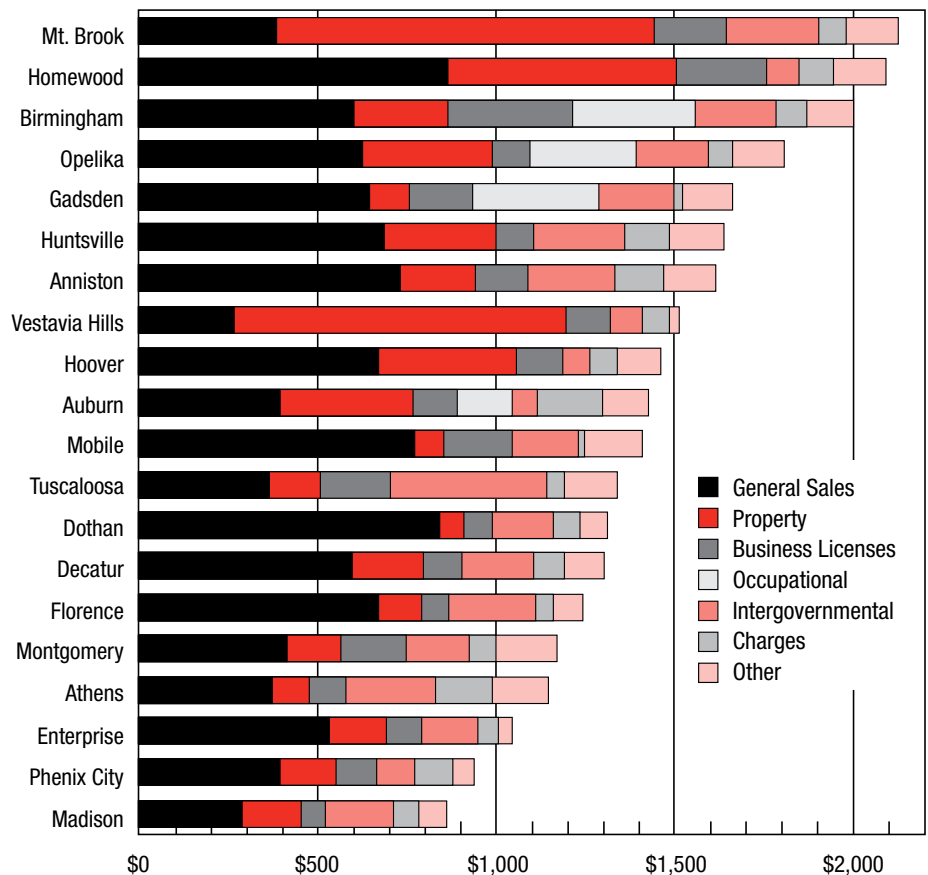
The U.S. Treasury Department says Alabamians are still receiving federal benefits through more than 112,000 paper checks each month. They have less than four months remaining to say whether they want to switch to direct deposit or Direct Express debit cards.

The department is moving to all-electronic payments for federal benefits starting March 1, and those who do not make a selection will be switched to Direct Express debit cards so they do not miss a payment.

Those who have not made a choice can call toll free 800.333.1795, visit the website <http://www.GoDirect.org>, or talk to their local federal paying agency office. ■

Revenue Sources

By: Public Affairs Research Council of Alabama
(Per Capita Basis)



RSA Fiscal 2012

Financial Statement of Changes in Plan Net Assets

| | TRS | ERS | JRF |
|--|----------------------------|----------------------------|----------------------------|
| <u>ADDITIONS</u> | | | |
| Employee Contributions | \$457 million | \$215 million | \$3.5 million |
| Employer Contributions and Transfers | 620 million | 319 million | 10.9 million |
| Investment Income | <u>2.99 billion</u> | <u>1.43 billion</u> | <u>39.0 million</u> |
| Total | \$4.07 billion | \$1.96 billion | \$53.4 million |
| <u>DEDUCTIONS</u> | | | |
| Retirement Payments | \$1.8 billion | \$848 million | \$27.2 million |
| Returns of Contributions, Transfers, Expenses, Depreciation | <u>68 million</u> | <u>56 million</u> | <u>0.5 million</u> |
| Total | \$1.87 billion | \$904 million | \$27.7 million |
| <u>NET INCREASE</u> | \$2.20 billion | \$1.06 billion | \$25.7 million |
| <u>NET ASSETS HELD IN TRUST</u> | | | |
| Beginning of Year | \$16.8 billion | \$8.13 billion | \$210.1 million |
| End of Year | \$19.0 billion | \$9.19 billion | \$235.8 million |

Official Publication of the Georgia State Golf Association as a Service to its 75,000 Members

GOLF GEORGIA

One of the truest golf “collections” in the Southeast is the **Robert Trent Jones** Golf Trail of Alabama, numbering 468 holes at 11 unique sites across the state. With their highly identifiable style and continuity of theme and presentation, the Trail courses are not unlike a successful movie franchise, where each new installation finds precedence in previous editions before launching anew with fresh twists and characters.

Given their reputation for enormous size and difficulty, the Trail courses might be comparable to the *Mission: Impossible* series, or, for their wild up and down rides, *The Pirates of the Caribbean*. A more fitting kinship given the Trail’s iconic stature and longevity as they celebrate their 20th year,

however, is to the **James Bond** franchise.

In golf terms, the Trail courses are full of intrigue, polish and gadgetry, with multi-level greens and fairways, cavernous bunkers and highly evocative settings. They can make you feel simultaneously exhilarated and double-crossed, and like Bond’s *femme fatales* offer elements of both seduction and danger.

The original sites like Grand National (Opelika), Magnolia Grove (Mobile), and Oxmoor Valley (Birmingham) have the timeless, trendsetting feel of the classic **Sean Connery** movies like *Goldfinger* and *Thunderball* without feeling dated or in any way tame. Later editions like Silver Lakes (Anniston) and Cambrian Ridge (Greenville) push the thematic envelope even further, stretching the limits of what

adventure golf could be in ways similar to the quirky fun of the **Rodger Moore** period.

The latest batch of course, namely The Shoals (Muscle Shoals) and Ross Bridge (Hoover) have gone full theatrical blockbuster, explosively long, must see golf just as **Daniel Craig’s** new bond films are Hollywood events. Fortunately, there are no mid-period duds to be found on the Trail.

The Trail is offering a winter special of three days of unlimited golf for \$135 (just \$45 a day), an ideal attraction since all sites have multiple courses and many are within easy driving distance of each other. It’s better than even the best Bond triple-feature. Go to rtjgolf.com. ■

It is Time To Have Fun and Enjoy the Family Plan Your Holidays for Our Hotels, Spa, and Golf

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ENJOY YOUR WINTER A Special Deal FOR RSA MEMBERS

The Battle House,

A Renaissance Hotel – Mobile – \$109

- January 1-3, 8-12, 27-29 • February 3-6, 12-14, 17-24
- March 2-3, 9-14, 16-19, 24-31

The Renaissance Riverview Plaza – Mobile – \$99

- January 1-3, 8-12, 27-29 • February 3-6, 12-14, 17-24
- March 2-3, 9-14, 16-19, 24-31

Marriott Grand – \$109 plus a 15% resort fee

- January 1-8, 12-21, 25-28
- February 2-4, 11, 17-20, 24-26 • March 3-5, 18-20

Marriott Grand – RSA Golf Package – \$179

NEW! Enter code – RSPSPA

Includes: Deluxe Room, One Round of Golf for Two People.
Call for Tee Times after booking package

- January 1-8, 12-21, 25-28
- February 2-4, 11, 17-20, 24-26 • March 3-5, 18-20

Marriott Shoals – Florence – \$99

- January 1-6, 13-15, 20-21, 24-27
- February 11-12, 17-19, 22-28
- March 3-5, 10-11, 14-17, 31

Renaissance Ross Bridge – Hoover – \$109

- January 1-8, 11-14, 16-22, 27-30
- February 3-5, 10-13, 17, 24, 27-28
- March 6, 10, 17-18, 24-26, 31

Opelika Marriott – \$99

- January 1-21, 25-31 • February 1-7, 10-28
- March 1-2, 6-8, 12-17, 20, 23-31

Prattville Marriott – \$89

- January 1-3, 6-12, 17, 19-22, 25-27
- February 3-6, 10-11, 13, 15-18, 24, 27-28
- March 2-7, 9-12, 14-18, 22-31

Renaissance Montgomery – \$109

- January 1-8, 31 • February 3, 8-10, 14-15, 17
- March 3-4, 14-18, 28-31

RSA Spa Package – \$189

NEW! Enter code – RSPSPA Includes Deluxe Room

- January 2-3, 8, 31 • February 14
- March 14, 28

*Rates available the 1st of the month
and are not applicable to groups.*

800-228-9290 Ask for RSA rate.

NEW! Internet Group Code: RSARSAA
on marriott.com

Book Online and Save RSA \$4.

TRS Election News

Results from the 2012-2013 Regular Election have been certified and Mrs. Teresa Swindall and Mr. Ricky Whaley were re-elected to the TRS Board of Control. Dr. Susan Brown ran unopposed. Mrs. Sarah Swindle and Ms. Peggy Mobley will be in a runoff for the Retiree Position No. 1. Mrs. Susan Lockridge and Mr. Bernard Sanderson will be in a runoff for the Support Personnel Position, No. 1. Ballots will be mailed out no later than January 7, 2013, with ballots due to VR Election Services by 4:00 p.m., February 11, 2013.



Vice Chairman Dr. Susan Brown swears in Dr. Vic Wilson, Ms. Charlene McCoy, and Mr. Russell Twilley to the TRS Board of Control.



Vice Chairman Mr. John Wilkerson swears in Mr. James Rowell to the ERS Board of Control.



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